



State of Connecticut

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**Testimony - SB 1126
Government Administration and Elections Committee
Friday, March 27, 2015**

Chairman Cassano, Chairman Jutila, Ranking Members McLachlan and Smith, and members of the Government Administration and Elections Committee, thank you for the opportunity to testify today on SB 1126, An Act Concerning Revisions to Campaign Finance Laws, and express my profound disappointment that the bill largely refrains from addressing the loopholes and flaws within our campaign finance laws that were exposed during the last election cycle.

Connecticut's Citizens Election Program is broken. Nearly a decade ago, the state made a promise to Connecticut taxpayers – fund our campaigns with your money, and we will limit the influence of special interest money. I was one of the few Republican lawmakers to support the program, and I have continuously fought efforts to undermine it. The program was developed with several goals in mind, the top three being:

1. Allowing candidates to compete without reliance on special interest money;
2. Allowing legislators the ability to make decisions free of the influence of or the appearance that they have been influenced by donations of special interests;
3. Restoring public confidence in the electoral and legislative processes;

I believe that the 2013 changes dramatically weakened the program, creating loopholes that essentially allow special interest money to accompany "clean" taxpayer money, and forever tarnishing a program that was once a model for the nation. As a result of these changes, the election cycle of 2014 saw candidates and organizations take full advantage of these loopholes. The Citizen's Election Program today does not resemble the one created in 2005, and certainly no longer fulfills these lofty goals.

SB 1126 has 26 sections, yet only three sections deal with the CEP. Sections 22 and 23 delay the CPI increase until 2018. Section 24 limits grants to unopposed candidates to 20%. These are positive changes, but they do not go far enough. Senate Republicans feel that the grants provided to all candidates are far in excess of what is needed for a candidate to get their message across to voters. We have proposed reducing all grants by 25% (SB 225). SEEC estimated that the CEP grants would total \$35 million in 2014 and \$12 million in 2012. Reducing this by 25% across the board would save taxpayers \$7 million in gubernatorial election years and \$2.4 million in Presidential years. Also, we have proposed eliminating entirely grants for unopposed candidates (SB 224).

Unfortunately, SB 1126 fails to address several other large loopholes in our campaign finance laws, and I strongly encourage the committee to consider adding language from several other bills that were introduced by the committee.

- SB 612 - Cap organizational expenditures by state parties. This bill would eliminate unlimited organization expenditures by state central committees for the benefit of legislative candidates.
- HB 6084 - Reduce individual donor limit to state parties from \$10k to \$5K.
- SB 385 - Allow SEEC to have own council and bring injunctive relief. This bill gives greater autonomy to the watchdog agencies by permitting them to hire outside counsel.

SB 1126 takes two very small steps toward fixing CEP, but leaves in place loopholes that dramatically undermine the system. If we cannot fix our campaign finance system, we need to eliminate the entire taxpayer funded system. Taxpayers should not be financing political campaigns if we are going to allow such blatant loopholes. I believe that the committee has missed an opportunity to once again fulfill those original goals of the program. But it's not too late. I encourage the committee to add SB 224, SB 225, SB 612, HB 6084 and SB 385 to SB 1126 when the time comes to act favorably on the bill.

We also take issue with two sections of this bill that would further weaken clean election laws. Sec. 25 would change regulations to limit the time that SEEC can conduct an audit to three months and would prohibit audits on candidates who were audited in the previous election cycle, which could foster system abuse. Sec. 26 would eliminate an SEEC regulation which would open the door to allow candidates to funnel their unused campaign funds to another candidate through coordinated campaign expenditures, thereby circumventing the intention of public financing. These sections should be changed.

Thank you again for the opportunity to address you today.

Len Fasano
Senate Minority Leader